



**United States Department of Justice
United States Attorney's Office
District of Minnesota**

Rachel K. Paulose, United States Attorney

Jeanne F. Cooney, Director of External Relations
(612) 664-5611

News Release

FOR IMMEDIATE RELEASE
Thursday, May 10, 2007

New Jersey Man Sentenced in Illegal Online Pharmacy Case

Minneapolis - Earlier today a New Jersey doctor was sentenced in federal court in Minneapolis to fifteen months in prison for his role in the operation of an illegal online pharmacy. Dr. Philip S. Mach, age 49, of Franklin Park, New Jersey, was sentenced by U.S. District Court Judge Michael J. Davis after earlier pleading guilty to one count of conspiracy to distribute and dispense controlled substances and one count of unlawful distribution of controlled substances. Mach also pleaded guilty to an Information that was filed in federal court in New Jersey and transferred to Minnesota, charging him with drug conspiracy.

Court documents in this case indicate that between July of 2004 and May of 2005, Mach knowingly and intentionally conspired with others to distribute and dispense prescription drugs that are controlled substances for other than legitimate medical purposes. Specifically, Mach admitted that during that time period, he was the sole physician to issue prescriptions for Xpress Pharmacy Direct, an online pharmacy owned by Christopher Smith, who was recently convicted in

(MORE)

federal court for operating Xpress Pharmacy Direct in an illegal manner. Mach testified in the trial against Smith and others that all of the prescriptions he issued for Xpress Pharmacy Direct were in fact sham prescriptions and not issued in the usual course of professional practice. Moreover, Mach admitted that the drugs he distributed and dispensed or caused to be distributed or dispensed through his sham prescriptions included hydrocodone tablets, a Schedule III controlled substance.

In addition to jail time, Mach previously surrendered his DEA-controlled drug distribution license, and he entered into a consent order with the New Jersey Medical Board, revoking his license to practice medicine.

This case was the result of an investigation by the Federal Bureau of Investigation; the Internal Revenue Service, Criminal Investigation Division; and the United States Food and Drug Administration, Office of Criminal Investigation. The Drug Enforcement Administration and the U.S. Postal Inspection Service also assisted in the investigation. Assistant United States Attorneys Nicole A. Engisch and Elizabeth C. Peterson prosecuted the case.

###